2017 State of the State Address

January 17, 2017

A Message From The People

Thank you, Lieutenant Governor Parson; Speaker Richardson and the members of the Missouri House; President Pro Tem Richard and members of the Missouri Senate; Chief Justice Breckenridge and the judges of the Supreme Court of Missouri; State officials; and our honored guests. Thank you.

And thank you to Sheena, my beautiful wife, and Missouri's First Lady.

We meet tonight in the people's chamber.

This is the seat of our republic—where the people's will should be done.

Many of you have been good keepers of the public's trust. Your families have sacrificed so that you can serve the people, and I appreciate you and your families.

But too many good, strong public servants have come here only to see the will of the people obstructed and corrupted by insiders and lobbyists.

This is a big place, with a powerful purpose, and it has too often been consumed by small goals and petty politics.

So tonight, I come bearing a simple message from the people of Missouri: They want a government that fights for them, and I come as an outsider ready to lead that fight.

Last week, I signed an executive order banning gifts from lobbyists to state employees of the executive branch.

I think all elected officials should do the same. And I thank Speaker Richardson, President Richard, Senator Kehoe, Representative Cierpoit, and other leaders in this room for their commitment to passing a ban on gifts from lobbyists.

In our first executive order, we also slammed shut the revolving door between employees of the Governor's office and lobbyists. The people in my office come to work knowing they will never be able to lobby our office.

I urge the legislature to do the same. During the campaign, we came up with a simple proposal that the people supported. If you've been in a legislative office for one year, and you decide you want to become a lobbyist, you have to wait one year. If you've been in office for two years, then you have to wait two years—and so on.

This is a simple, sensible proposal, and I'm committed to working with you to close the revolving door.

I also call on this legislature to put on the ballot, term limits for every statewide officeholder. I know that the people of Missouri will vote for term limits, and people are counting on us to put an end to politics as a lifelong profession.

This is the people's government, and these basic measures will begin to restore our people's trust in their government.

Missourians are a hardworking people. They want good, quality jobs.

I remember being out one morning meeting folks and shaking hands at a diner in Portageville.

It was 5 AM, and it was going to be a hot day—but people were up. They were ready to work.

In county after county—in Pemiscott County, and in Dunklin County, and in Mississippi County—I spoke to people who want to work, who want a job, who want to provide for their families.

They are sick of seeing their friends have to get in a truck and drive across state lines for work. But they look over the border—and see opportunity.

They see that in Arkansas and in Tennessee, paychecks are getting bigger.

They see other Midwestern states like Michigan and Indiana that are leading the nation in new factory job growth.

Since 2009, the country has had 10% private sector job growth. If we had grown just as fast as the rest of the country since '09, we would have 120,000 more jobs in Missouri today.

And if income in Missouri had risen at the same rate as the rest of the country, the average Missouri family would be making \$2,400 more every year. Instead, we've fallen behind.

The people have sent us a message: We must do everything in our power to put people back to work in good, high-paying jobs.

That's why we must join 27 other states and sign Right to Work.

That's why we must do away with expensive Project Labor Agreements that drive up the costs of construction and slow down important projects in our communities.

We must repeal our state's version of the Davis-Bacon act, which drives up the cost of important construction work that needs to get done. It hurts rural workers. It sets back rural families.

I've heard from small-town Mayors and County Commissioners who say that they are ready to build, to grow—but they need these reforms.

Our cities see the negative impact, too. People are tired of losing new jobs to Indianapolis, Nashville, or Des Moines. We must stay competitive.

We will eliminate these ineffective and outdated laws. And we will tap into the ingenuity and hard work of Missourians, because Missourians are ready to work.

There's another thing holding back jobs.

A report released about a month ago looked at every state, every city, and every county in the United States. And that

report named St. Louis, Missouri the worst judicial hellhole in America.

This isn't a pretty picture. Here's what's happening: Out of state lawyers are suing businesses on behalf of out of state clients in Missouri's courts.

We're the place where the nastiest lawyers come to do work so dirty, and engage in lawsuits so murky, they wouldn't pass muster anywhere else.

What does this do? It scares away businesses. It means fewer jobs and smaller paychecks.

The companies intimidated by this shady practice have customers here. They could make even more money here. But they're afraid to expand their business here.

Trial lawyers can sue people in the state of Missouri, and because of how broken the system is, if they win just one dollar for their client, they still get paid huge legal fees.

For too long in this state, trial lawyers have picked our people's pockets.

It's time to do different.

There are some common sense changes we can make to fix this. We need to move to the Daubert standard for expert witness testimony. Right now, our standards are far too low. By moving to the Daubert standard, we'd be adopting the same standards used by the federal government and 39 other states.

We need to change our joinder and venue rules to end these out of state lawsuits. And we must end frivolous lawsuits by reforming the Missouri Merchandising Practices Act.

Our judicial system is broken, and the trial lawyers who have broken it, well, their time is up.

The people need us to fight for the jobs that lawyers are forcing out of our state. As Governor, I'm not afraid to take on the trial lawyers, of either party. I'm here to fight for the people, of both parties.

Another thing holding back jobs: burdensome regulations...

Last week, I signed an executive order putting a freeze on all new regulations and rulemaking. Let me tell you why.

There were two women in Missouri who had grown up braiding the hair of their family and friends and figured they could make a business of it.

Then they looked up what they'd need to do to become a hair braider in Missouri, and they were shocked.

Missouri's government mandates 1500 hours of expensive training for a hair braiding license. That's 30 hours per week of training for almost a full year...to braid hair.

We need to end frivolous regulations like these so that our people can start their own businesses and create jobs.

Over the course of the last 17 years, Missouri has issued over 40,000 pages of new regulations. If you laid those pieces of paper end to end, that's over 5 miles of new regulations.

These regulations, and those that come down from Washington, cost people money.

But there's a hidden cost, too. All of this regulation takes the joy out of running a business, running a farm, starting something new.

Farmers want to farm—not be lawyers and accountants. Business people want to build great things—not fill out endless paperwork.

And there's another problem: Some rules are necessary to protect health and safety. But when government spends time enforcing frivolous regulations, important things like safe water and safe travel don't get the time and attention they deserve.

I have ordered a complete review of every regulation in the state of Missouri. We're going to reduce unnecessary and outdated regulations so that we can get back to creating good, quality, high-paying jobs...

We need an effective government that serves the people and makes it easy to do business.

If you want to start or grow a business in the state of Missouri and hire more people with good jobs, I will be your friend and ally. I want the state of Missouri to work for you. To make it easy for you.

Right now, getting permits takes too long. People stand in too many lines for too many hours for too many basic services.

Part of the reason for this is that our government is running on too many broken and outdated systems that make it too hard to serve the people.

Some of our government's systems are still programmed using COBOL, a computer language developed in 1959.

We need a modern government that allows people to do more on-line instead of making them wait in line.

We also need to remember that many essential government services, whether it's law enforcement, transportation, or education, are delivered by people.

We need to support the hard-working employees in our government who do important public service. We have people at the State Emergency Management Agency, MoDOT and the Missouri State Highway Patrol, who worked non-stop from last Wednesday, straight through the Chiefs game, to make sure our state weathered this ice storm.

And our best state employees are being hurt by a big bloated bureaucracy. In Indiana, they have 46 state employees per 10,000 people in their state. In Illinois, they have 47 state employees for every 10,000 people. In Ohio, they have 55.

And in Missouri? We have 92 employees for every 10,000 people in our state.

Because of this, we are 50th out of 50 in state employee pay. We need to change that. Our government employees do important work—often really important, life-saving work. We need to reward the greatest in government service with better pay.

This is how a good business would run. We'd pay and promote our best people and make sure they know they are valued. And we'd have a government focused on doing fewer things but doing them well. That's how we'll be able to pay

our star performers what they deserve.

That's one of the reasons why I'm committed to civil service reform, with a focus on making a smaller government that works better for all of our people and will make Missouri a better place to do business.

And there's another thing that's holding back jobs: our burdensome, complex, and unfair tax credit system.

All of you know how to run a family budget.

First, you pay down your credit card debt. Then, put some money away in a rainy day fund. Then, you budget for your most important needs.

Our constitution is wise. It follows that same advice. Our constitution lays out where our tax money should go.

First, it's supposed to pay off the debt. Then, it's supposed to fund our priorities.

There's a lot of wisdom there.

But unfortunately, the people who get paid first today are insiders and lobbyists who have rigged the system to get special interest tax credits.

Insiders are gaming this system. Since 2010, almost \$2 billion has been promised to special interests. The people taking the money swore that it was going to create jobs, but their performance hasn't lived up to their promises.

If special interest tax credits made for a prosperous economy, Missouri would be thriving.

What our people want is a tax structure that is simple, fair to everyone, and low.

But instead we have a tax structure that is complex, corrupt, and high.

Together, with a team of outsiders and legislators, we are going to do a thorough, end-to-end audit of our tax credit system—and create a tax code that works not to benefit privileged insiders, but instead is fair to all.

I ask all of you—all of you—to work with me. Our state can create more jobs by doing the right thing here.

And another thing that's holding back jobs is our broken welfare system.

For almost ten years, I worked with veterans who had been let down by the VA.

My wife Sheena and I would have these strong men and women around our dinner table.

And we'd hear over and over again about how the system failed these men and women.

When they came back from war, the VA told them, "If you're 60% disabled, we'll pay you as if you're 100% disabled as long as you don't work..."

So what do you think happened? People didn't work.

And not having a job sapped their spirits. The government handed them checks and pills. And instead of building new

lives here at home, too many got stuck. They became trapped in lives of dependency and depression.

They lost their sense of dignity. And what's worse, it also affected their children and their families.

Missouri's system of welfare too often does the same to our people.

We must find a way to reform it—and replace it with a system that builds lives of self-reliance, dignity, and meaning.

But that's not the system we have now.

Recently, a non-partisan think tank took a close look at the welfare system in each state.

Here's how things work in Missouri:

Let's say you're a single mom working 30 hours a week, making \$12.25 an hour. You're working as hard as you can, taking care of your kid and trying to raise him right.

One day, your boss comes to you and offers you a \$5 an hour raise. That should add up to about \$7,500 to \$8,000 more a year.

But here's what happens in Missouri: If you take the raise, you'd lose over \$700 a year in food stamps and \$800 in housing subsidies.

You lose \$4,700 in childcare subsidies, and \$1,200 in the earned income tax credit. And you'd pay an extra \$800 in taxes.

That \$8000 raise cost you over \$8,200 dollars. That hard-working single mom is essentially robbed of her raise.

We need to build a system based on two simple principles:

- 1) It should always, always, always pay more to work in the state of Missouri.
- 2) If your boss gives you a raise, you should make more money.

I will work with all of you to build a system that lifts people out poverty and into the middle class, one based on hard work and personal responsibility.

Everywhere I went in the state of Missouri, people talked to me about the need for more jobs and higher pay.

They also talked about the need for safer streets.

Despite the failures of past politicians, the vast majority of the people in this state know, honor, and respect the men and women of law enforcement...

I want to say tonight—from this podium and in this place—thank to our law enforcement officers and first responders. And thank you to your families, who sacrifice every day so that we can be safe.

Here are the facts: three of the eleven most violent cities in America are in Missouri—St. Louis, Kansas City, and Springfield.

This violence affects far too many families—mine included.

And it's not just in the cities. When you talk to sheriffs, chiefs of police, and front line officers around the state, they'll tell you it's getting harder to do police work.

They'll tell you about what the FBI has identified: The Ferguson Effect.

They'll tell you that it's harder to recruit people to become police officers, and the officers who are on the job feel less empowered to proactively police.

Now, we're in a tough place in Missouri and we have to come together. We cannot go forward divided.

God has not given any of us a monopoly on wisdom. We all must make an effort to understand.

We will work with the law enforcement community and concerned citizens and clergy, to update our peace officers' standards and training.

We will make sure that all of our officers have the training, resources, and support they need both to protect themselves and to build strong relationships in their communities.

Here's what we have to do together: make this the greatest state in America to be a law enforcement officer, firefighter, or first responder. And we need to make this a state where every citizen feels that they too are safe and protected.

I want to establish a Blue Alert system, so that we can find and bring swift justice to anyone who assaults a law enforcement officer.

And my administration will work with this body to pass the toughest laws in the country for anyone who assaults a peace officer.

We need to make sure that our state highway patrol, that our corrections officers, have nonlethal tools like TASERs and adequate body armor when they are called to go into harm's way.

We also need to stand by our law enforcement officers, firefighters and first responders by aggressively applying for Homeland Security, AFG and SAFER Grants to make sure that they get every federal dollar they deserve.

And we also must work with the Department of Defense and with our military representatives here at home, including at Fort Leonard Wood, to make sure our military police officers and military firefighters can much more easily come back home and serve as police officers and firefighters on our streets.

We will do these things. But we need all of you to work alongside us to make Missouri safe.

And those of us in this room have a particular obligation. It is an obligation to hear people who are often unheard. To understand the frustrated, to listen to those who too often do not have a voice.

We need a justice system that does justice by all of our people. As a constitutional conservative, I believe, as you do, that the constitution applies to every citizen. I believe in the 6th Amendment, which guarantees the right to a fair trial and adequate legal representation for all.

I believe—as many of you do—that we must reform our corrections system. I believe our corrections officers do hard work, under difficult circumstances, and I am committed to standing by them and standing up for them.

In order to protect them, and in fact, in order to protect every citizen in Missouri, we need to find ways to reduce recidivism. If somebody gets out of prison, we want them to go to work. We want them to pay their fair share in taxes. We want them to take care of their kids. We want them to set a good example.

And the last thing we want is somebody coming out of prison and committing another crime which hurts another family and starts that same bad cycle all over again.

We need to do different. People who are in prison should have a clear plan—from the day they enter—about what direction their lives will take the day they leave.

To tackle this problem, we need to engage groups from across society: most importantly our faith community. I have seen that a turn towards faith can actually save lives in prison. And I will welcome our churches and our synagogues into our corrections facilities.

These steps are but the beginning. And the path towards safer streets for all is built on a combination of support for law enforcement, relationships rooted in understanding, economic and educational opportunity, and a justice system that has the confidence of all of its citizens.

Peace is more than the absence of war. And safety and security are more than the absence of violence. Safety and security are built on the basis of understanding—and we in the people's house must be examples for making an effort to understand each other and bring communities together.

That understanding starts with our young people. And it begins in our homes—and in our schools.

I think we will all agree that we have incredible young people here in the state of Missouri.

And yet, we have an education system that ranks near last in every measure that matters.

Our people have done their part. Missouri pays about the national average for its education system.

Yet even though we spend what the rest of the country spends on education, we rank 47th in starting teacher pay. We have great teachers, and I believe our great teachers deserve to be paid more.

And let me be perfectly clear: this administration is committed to protecting teachers' pensions.

What we need to do is make sure that the money we spend finds its way into the classroom.

Over half of Missouri school districts do not offer a single Advanced Placement class. Over 200 of our 520 school districts did not have a single student in physics. Over 100 did not have a single student enrolled in chemistry.

We need to expand course access programs, so that every child in Missouri can use technology to get the education they need.

We also need to make sure that every child in Missouri, especially those kids with special needs, get a fair shot at the

American Dream. I will work with you to implement Education Savings Accounts for children with special needs.

Education Savings Accounts are simple. Kids with special needs have IEPs, individualized education plans. With education savings accounts, parents are able to use their fair share of state education money in a way that fits with what their kids need.

Arizona was the first state in the country to try these accounts, and the program has been a success. Parents are much happier with their children's educations, and children are able to get the kind of education that meets their needs.

We do best when we put power into the hands of parents and teachers at the local level.

Special needs families know their children best. And it is time we gave control back to those parents, to select the best possible education for their children.

Every kid in the state of Missouri—whether in a public school, private school, or homeschool—deserves a fair shot at the American Dream. And these are just a few of the things we can do to make that happen.

What I have outlined tonight are some of the simple and sensible requests that the people have for all of us.

And this is how we begin. Not every problem that we're facing in the state of Missouri can be solved in the next week, the next month or the next year. But this agenda is a strong and bold start.

We have an opportunity to have a truly historic legislative session. Let's heed the voice of the people and let's take Missouri in a new direction.

Thank you very much. God bless you and God bless the people of Missouri.







